CHAPTER 178

## LABOR AND INDUSTRY

HOUSE BILL 22-1401

BY REPRESENTATIVE(S) Mullica, Amabile, Bernett, Caraveo, Duran, Esgar, Herod, Hooton, Jodeh, Lindsay, Lontine, Ortiz, Sirota. Valdez A.:

also SENATOR(S) Moreno, Buckner, Fields, Gonzales, Hinrichsen, Jaquez Lewis, Lee, Pettersen, Story, Winter, Fenberg.

## AN ACT

CONCERNING THE PREPAREDNESS OF HEALTH FACILITIES TO MEET PATIENT NEEDS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Be it enacted by the General Assembly of the State of Colorado:

**SECTION 1.** In Colorado Revised Statutes, **add** 25-3-128 and 25-3-129 as follows:

- **25-3-128.** Hospitals nurses, nurse aides, and EMS providers staffing requirements enforcement waiver rules definitions. (1) AS USED IN THIS SECTION:
- (a) "Clinical staff nurse" means a practical nurse or registered professional nurse licensed pursuant to article 255 of title 12 who provides direct care to patients.
- (b) "EMS provider" means an individual who holds a valid certificate or license issued by the department as provided in article 3.5 of this title 25.
- (c) "Nurse aide" means a person certified pursuant to article 255 of title 12 to practice as a nurse aide who provides direct care to patients or who works in an auxiliary capacity under the supervision of a registered nurse.
- (d) "Staffing plan" means the master nurse staffing plan developed for a hospital pursuant to subsection (2)(b) of this section.

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

- (2) (a) On or before September 1, 2022, each hospital shall establish a nurse staffing committee pursuant to rules promulgated by the state board of health, either by creating a new committee or assigning the nurse staffing functions to an existing hospital staffing committee. The nurse staffing committee must have at least sixty percent or greater participation by clinical staff nurses, in addition to auxiliary personnel and nurse managers. The nurse staffing committee must include a designated leader of workplace violence prevention and reduction efforts.
  - (b) The nurse staffing committee:
- (I) SHALL ANNUALLY DEVELOP AND OVERSEE A MASTER NURSE STAFFING PLAN FOR THE HOSPITAL THAT:
- (A) Is voted on and recommended by at least sixty percent of the nurse staffing committee;
- (B) Includes minimum staffing requirements as established in rules promulgated by the state board of health for each inpatient unit and emergency department that are aligned with nationally recognized standards and guidelines;
- (C) INCLUDES STRATEGIES THAT PROMOTE THE HEALTH, SAFETY, AND WELFARE OF THE HOSPITAL'S EMPLOYEES AND PATIENTS;
- (D) INCLUDES GUIDANCE AND A PROCESS FOR REDUCING NURSE-TO-PATIENT ASSIGNMENTS TO ALIGN WITH THE DEMAND BASED ON PATIENT ACUITY; AND
  - (E) MAY INCLUDE INNOVATIVE STAFFING MODELS;
- (II) (A) Shall submit the recommended staffing plan to the hospital's senior nurse executive and the hospital's governing body for approval. If the final plan approved by the hospital changes materially from the recommendations put forth by the staffing committee, the senior nurse executive shall provide the nurse staffing committee with an explanation for the changes.
- (B) IF, AFTER RECEIVING THE EXPLANATION REFERENCED IN SUBSECTION (2)(b)(II)(A) OF THIS SECTION, THE STAFFING COMMITTEE BELIEVES THE FINAL PLAN DOES NOT MEET NURSE STAFFING STANDARDS ESTABLISHED IN RULES PROMULGATED BY THE STATE BOARD OF HEALTH, THE STAFFING COMMITTEE, WITH A VOTE OF SIXTY PERCENT OR MORE OF THE MEMBERS, MAY REQUEST THE DEPARTMENT REVIEW THE FINAL ADOPTED STAFFING PLAN FOR COMPLIANCE WITH RULES PROMULGATED BY THE STATE BOARD OF HEALTH.
- (III) May publish a report that is responsive to the changes made to the recommended plan pursuant to subsection (2)(b)(II) of this section, if any;
- (IV) SHALL DESCRIBE IN WRITING THE PROCESS FOR RECEIVING, TRACKING, AND RESOLVING COMPLAINTS AND RECEIVING FEEDBACK ON THE STAFFING PLAN FROM

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CLINICAL STAFF NURSES AND OTHER STAFF; AND

- (V) SHALL MAKE THE COMPLAINT AND FEEDBACK PROCESS AVAILABLE TO ALL PROVIDERS, INCLUDING CLINICAL STAFF NURSES, NURSE AIDES, AND EMS PROVIDERS.
- (c) The department is authorized to and shall enter, survey, and INVESTIGATE EACH HOSPITAL AS NECESSARY TO ENSURE COMPLIANCE WITH THE NURSING STAFFING STANDARDS ESTABLISHED IN RULES PROMULGATED BY THE STATE BOARD OF HEALTH.
  - (3) A HOSPITAL SHALL:
- (a) Submit the final, approved nurse staffing plan to the department on AN ANNUAL BASIS:
- (b) On a quarterly basis, evaluate the staffing plan and prepare a REPORT FOR INTERNAL REVIEW BY THE STAFFING COMMITTEE;
  - (c) Provide the relevant unit-based staffing plan to:
- (I) EACH APPLICANT FOR A NURSING POSITION ON A GIVEN UNIT UPON AN OFFER OF EMPLOYMENT; AND
  - (II) A PATIENT UPON REQUEST; AND
- (d) Prepare an annual report containing the details of the evaluation REQUIRED IN SUBSECTION (3)(b) OF THIS SECTION AND SUBMIT THE REPORT TO THE DEPARTMENT, IN A FORM AND MANNER DETERMINED BY RULES PROMULGATED BY THE STATE BOARD OF HEALTH.
- (4) A HOSPITAL SHALL NOT ASSIGN A CLINICAL STAFF NURSE, NURSE AIDE, OR EMS provider to a hospital unit unless, consistent with the conditions of PARTICIPATION ADOPTED FOR FEDERAL MEDICARE AND MEDICAID PROGRAMS, HOSPITAL PERSONNEL RECORDS INCLUDE DOCUMENTATION THAT THE TRAINING AND DEMONSTRATION OF COMPETENCY WERE SUCCESSFULLY COMPLETED DURING ORIENTATION AND ON A PERIODIC BASIS CONSISTENT WITH HOSPITAL POLICIES.
- (5) (a) On or before September 1, 2022, Each Hospital shall report, in a FORM AND MANNER DETERMINED BY RULES PROMULGATED BY THE STATE BOARD OF HEALTH, THE BASELINE NUMBER OF BEDS THE HOSPITAL IS ABLE TO STAFF IN ORDER TO PROVIDE PATIENT CARE AND THE HOSPITAL'S CURRENT BED CAPACITY. THE REPORTING MAY INCLUDE:
- (I) SEASONAL OR OTHER ANTICIPATED VARIANCES IN STAFFED-BED CAPACITY; AND
  - (II) ANTICIPATED FACTORS IMPACTING STAFFED-BED CAPACITY.
- (b) IN PROMULGATING RULES PURSUANT TO SUBSECTION (5)(a) OF THIS SECTION, THE STATE BOARD OF HEALTH SHALL:

- (I) Use the data provided to the department by each hospital throughout the COVID-19 pandemic through an internet-based resource management and communication tool developed for and commonly used by hospitals;
- (II) DETERMINE THE NUMBER OF SEASONAL VARIATIONS ALLOWABLE WITH REGARD TO SUBSECTION (5)(a)(I) OF THIS SECTION WITH A MINIMUM OF TWO AND A MAXIMUM OF FOUR ALLOWABLE VARIANCES; AND
  - (III) DEFINE "STAFFED-BED CAPACITY" FOR THE PURPOSES OF THIS SECTION.
- (c) On or before September 1, 2022, as determined by rules promulgated by the state board of health, if a hospital's ability to meet staffed-bed capacity falls below eighty percent of the hospital's reported baseline for not less than seven and not more than fourteen consecutive days, the hospital shall notify the department and submit:
- (I) A plan to ensure staff is available, within thirty days, to return to a staffed-bed capacity level that is eighty percent of the reported baseline; or
- (II) A request for a waiver due to a hardship, which request articulates why the hospital is unable to meet the required staffed-bed capacity if:
- (A) THE HOSPITAL'S CURRENT STAFFED-BED CAPACITY FALLS BELOW EIGHTY PERCENT OF THE HOSPITAL'S REPORTED BASELINE FOR NOT LESS THAN SEVEN AND NOT MORE THAN FOURTEEN CONSECUTIVE DAYS; OR
- (B) THE HOSPITAL'S CURRENT STAFFED-BED CAPACITY THREATENS PUBLIC HEALTH.
- (d) The department may impose fines, not to exceed one thousand dollars per day, for a hospital's failure to:
- (I) MEET THE REPORTED STAFFED-BED CAPACITY OF EIGHTY PERCENT OR MORE OF THE HOSPITAL'S REPORTED BASELINE; OR
  - (II) ACCURATELY REPORT A HOSPITAL'S BASELINE STAFFED-BED CAPACITY.
- (6) EACH HOSPITAL WITH MORE THAN TWENTY-FIVE BEDS SHALL ARTICULATE IN ITS EMERGENCY PLAN A DEMONSTRATED ABILITY TO EXPAND THE HOSPITAL'S STAFFED-BED CAPACITY UP TO ONE HUNDRED TWENTY-FIVE PERCENT OF THE HOSPITAL'S BASELINE STAFFED-BED CAPACITY AND INTENSIVE CARE UNIT CAPACITY WITHIN FOURTEEN DAYS AFTER:
- (a) A STATEWIDE PUBLIC HEALTH EMERGENCY IS DECLARED OR THE HOSPITAL IS NOTIFIED BY THE DEPARTMENT THAT SURGE CAPACITY IS NEEDED; AND
- (b) The state has used all available authority to expedite workforce availability and maximize hospital throughput and capacity, such as:

- (I) LICENSING OR CERTIFICATION FLEXIBILITY FOR HEALTH FACILITIES;
- (II) REDUCING REQUIREMENTS FOR LICENSING, CREDENTIALING, AND THE RECEIPT OF STAFF PRIVILEGES:
  - (III) WAIVING SCOPE OF PRACTICE LIMITATIONS; AND
- (IV) WAIVING STATE-REGULATED PAYER PROVISIONS THAT CREATE BARRIERS TO TIMELY PATIENT DISCHARGE.
- (7) EACH HOSPITAL SHALL UPDATE ITS EMERGENCY PLAN AT LEAST ANNUALLY AND AS OFTEN AS NECESSARY, AS CIRCUMSTANCES WARRANT. THE EMERGENCY PLAN MUST INCLUDE THE ACTIONS THE HOSPITAL WILL TAKE TO MAXIMIZE STAFFED-BED CAPACITY AND APPROPRIATE UTILIZATION OF HOSPITAL BEDS TO THE EXTENT NECESSARY FOR A PUBLIC HEALTH EMERGENCY AND THROUGH THE FOLLOWING ACTIVITIES:
  - (a) Cross-training, just-in-time training, and redeployment of staff;
- (b) SUPPORTING ALL HOSPITAL FACILITIES, INCLUDING HOSPITAL-OWNED FACILITIES, TO PROVIDE ANY NECESSARY, AVAILABLE, AND APPROPRIATE PREVENTIVE CARE, VACCINE ADMINISTRATION, DIAGNOSTIC TESTING, AND THERAPEUTICS;
- (c) Maximizing hospital throughput by discharging patients to skilled nursing, post-acute, and other step-down facilities; and
  - (d) REDUCING THE NUMBER OF SCHEDULED PROCEDURES IN THE HOSPITAL.
- (8) Beginning September 1,2022, the department may fine a hospital an amount not to exceed ten thousand dollars per day for the failure to:
- (a) Achieve the required staffed-bed capacity described in subsection (6) of this section within fourteen days after a declared statewide public health emergency or other notification by the department that surge capacity is needed;
- (b) Include the amount of necessary vaccines for administration in its annual emergency plan and have the vaccines available, to the extent that the vaccines are available, at each of its hospital facilities and hospital-owned primary care sites during and outside of the public health emergency, as determined by rules promulgated by the department; and
- (c) Include the necessary testing capabilities available in its annual emergency plan and at each of its hospital facilities and hospital-owned primary care sites during and outside of a public health emergency, to the extent that the testing is available, as determined by rules promulgated by the department.
  - (9) For the purposes of this section, the department shall enter,

SURVEY, AND INVESTIGATE EACH HOSPITAL:

- (a) AS DEEMED NECESSARY BY THE DEPARTMENT;
- (b) FOR PURPOSES OF INFECTION CONTROL AND EMERGENCY PREPAREDNESS; AND
- (c) TO ENSURE COMPLIANCE WITH THIS SECTION.
- (10) The department shall annually report on the information contained in the quarterly report described in subsection (3)(d) of this section as a part of its presentation to its committee of reference at a hearingheld pursuant to section 2-7-203 (2)(a) of the "State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act".
- (11) The department may promulgate rules to require health facilities licensed pursuant to section 25-1.5-103 to develop and implement infection prevention plans that align with national best practices and standards and that are responsive to COVID-19 and other communicable diseases. The requirements may include testing, vaccination, and treatment in accordance with applicable state laws, rules, and executive orders.
- (12) The state board of health shall promulgate rules as necessary to implement this section.
- **25-3-129. Office of saving people money on health care study report.** (1) The office of saving people money on health care in the lieutenant governor's office shall study:
- (a) The Level of preparedness of health facilities licensed pursuant to section 25-1.5-103 to respond to post-viral illness resulting from the COVID-19 virus:
- (b) The effects of post-viral illness resulting from the COVID-19 virus on the mental, behavioral, and physical health and the financial security of the people of Colorado; and
- (c) The effects of the COVID-19 pandemic on the cost of health care in Colorado and on the ability of Colorado's public health system to respond to emergencies.
- (2) On or before January 1, 2023, and on or before January 1 each year thereafter, the office of saving people money on health care shall report its findings to the governor.
- (3) THE OFFICE OF SAVING PEOPLE MONEY ON HEALTH CARE SHALL COORDINATE, MONITOR, AND SUPPORT THE EFFORTS TO IMPROVE THE AFFORDABILITY OF HEALTH CARE, HEALTH OUTCOMES, AND PUBLIC HEALTH READINESS IN STATE PROGRAMS AND DEPARTMENTS.

**SECTION 2.** In Colorado Revised Statutes, 25-1.5-103, **amend** (1)(a)(I)(C) as follows:

- **25-1.5-103.** Health facilities powers and duties of department limitations on rules promulgated by department definitions. (1) The department has, in addition to all other powers and duties imposed upon it by law, the powers and duties provided in this section as follows:
- (a) (I) (C) The department shall extend the survey cycle or conduct a tiered inspection or survey of a health facility licensed for at least three years and against which no enforcement activity has been taken, no patterns of deficient practices exist, as documented in the inspection and survey reports issued by the department, and no substantiated complaint resulting in the discovery of significant deficiencies that may negatively affect the life, health, or safety of consumers of the health facility has been received within the three years prior to the date of the inspection. The department may expand the scope of the inspection or survey to an extended or full survey if the department finds deficient practice during the tiered inspection or survey. The department, by rule, shall establish a schedule for an extended survey cycle or a tiered inspection or survey system designed, at a minimum, to: Reduce the time needed for and costs of licensure inspections for both the department and the licensed health facility; reduce the number, frequency, and duration of on-site inspections; reduce the scope of data and information that health facilities are required to submit or provide to the department in connection with the licensure inspection; reduce the amount and scope of duplicative data, reports, and information required to complete the licensure inspection; and be based on a sample of the facility size. Nothing in this sub-subparagraph (C) SUBSECTION (1)(a)(I)(C) limits the ability of the department to conduct a periodic inspection or survey that is required to meet its obligations as a state survey agency on behalf of the FEDERAL centers for medicare and medicaid services or the department of health care policy and financing to assure that the health facility meets the requirements for participation in the medicare and medicaid programs OR LIMITS THE ABILITY OF THE DEPARTMENT TO ENTER, SURVEY, AND INVESTIGATE HOSPITALS PURSUANT TO SECTION 25-3-128.

**SECTION 3.** In Colorado Revised Statutes, 25-3-102.1, **amend** (1)(b)(II) as follows:

**25-3-102.1. Deemed status for certain facilities.** (1) (b) (II) If the standards for national accreditation are less stringent than the state's licensure standards for a particular health facility, the department of public health and environment may conduct a survey that focuses on the more stringent state standards. Beginning one year after the department first grants deemed status to a health facility pursuant to this paragraph (b) SUBSECTION (1)(b), the department may conduct validation surveys, based on a valid sample methodology, of up to ten percent of the total number of accredited health facilities in the industry. excluding hospitals. If the department conducts a validation survey of a health facility, the validation survey is in lieu of a licensing renewal survey that the health facility would have undergone if the health facility did not have deemed status pursuant to this paragraph (b) SUBSECTION (1)(b). NOTWITHSTANDING ANY OTHER LAW TO THE CONTRARY, THE DEPARTMENT MAY ENTER, SURVEY, AND INVESTIGATE HOSPITALS PURSUANT TO SECTION 25-3-128.

**SECTION 4.** In Colorado Revised Statutes, 25-3-105, **amend** (1)(a)(I)(B) and (1)(a)(I)(C) as follows:

- **25-3-105.** License fee rules penalty repeal. (1) (a) (I) (B) On or after June 4, 2012, the state board of health may increase the amount of any fee on the schedule of fees established pursuant to subsection (1)(a)(I)(A) of this section that is in effect on June 4, 2012, by an amount not to exceed the annual percentage change in the United States department of labor, bureau of labor statistics, consumer price index for Denver-Aurora-Lakewood for all urban consumers and all goods, or its applicable predecessor or successor index. Nothing in this subsection (1)(a)(I)(B) limits the ability of the state board of health to reduce the amount of any fee on the schedule of fees in effect on such date or to modify fees as necessary to comply with section 24-75-402. Notwithstanding the requirements of this subsection (1)(a)(I)(B), the state board of health may assess fees necessary to cover the costs associated with the surveys conducted pursuant to section 25-3-128.
- (C) The department of public health and environment shall institute, by rule, a performance incentive system for licensed health facilities under which a licensed health facility would be eligible for a reduction in its license renewal fee if: The department's on-site relicensure inspection demonstrates that the health facility has no significant deficiencies that have negatively affected the life, safety, or health of its consumers; the licensed health facility has fully and timely cooperated with the department during the on-site inspection; the department has found no documented actual or potential harm to consumers; and, in the case where any significant deficiencies are found that do not negatively affect the life, safety, or health of consumers, the licensed health facility has submitted, and the department has accepted, a plan of correction and the health facility has corrected the deficient practice, as verified by the department, within the period required by the department. Notwithstanding the requirements of this subsection (1)(a)(I)(C), ANY FEES ASSOCIATED WITH THE SURVEYS AND INVESTIGATIONS OF HOSPITALS AUTHORIZED BY SECTION 25-3-128 ARE NOT SUBJECT TO A REDUCTION BASED ON THE PERFORMANCE INCENTIVE SYSTEM.

**SECTION 5.** In Colorado Revised Statutes, **repeal** 25-3-702.

**SECTION 6.** In Colorado Revised Statutes, 25-3-703, **amend** (1) as follows:

- **25-3-703. Hospital report card rules exemption.** (1) (a) The executive director shall approve a Colorado hospital report card consisting of public disclosure of data assembled pursuant to this part 7. At a minimum, the data shall be made available on an internet website in a manner that allows consumers to conduct an interactive search that allows them to view and compare the information for specific hospitals. The website shall MUST include:
- (I) CLINICAL OUTCOMES MEASURES FROM GENERAL AND PUBLIC HOSPITALS LICENSED PURSUANT TO SECTION 25-1.5-103; AND
- (II) Such additional information as is determined necessary to ensure that the website enhances informed decision making among consumers and health-care purchasers, which shall MUST include, at a minimum, appropriate guidance on how

to use the data and an explanation of why the data may vary from hospital to hospital. The data specified in this subsection (1) shall be released on or before November 30, 2007.

- (b) When Making a determination as to what data to report as required by subsection (1)(a) of this section, each executive director shall consider:
- (I) INCLUSION OF DATA ON ALL PATIENTS REGARDLESS OF THE PAYER SOURCE FOR COLORADO HOSPITALS AND OTHER INFORMATION THAT MAY BE REQUIRED FOR EITHER INDIVIDUAL OR GROUP PURCHASERS TO ASSESS THE VALUE OF THE PRODUCT;
- (II) Use of standardized clinical outcomes measures recognized by national organizations that establish standards to measure the performance of health-care providers;
- (III) DATA THAT IS SEVERITY AND ACUITY ADJUSTED USING STATISTICAL METHODS THAT SHOW VARIATION IN REPORTED OUTCOMES, WHERE APPLICABLE, AND DATA THAT HAS PASSED STANDARD EDITS;
- (IV) REPORTING THE RESULTS WITH SEPARATE DOCUMENTS CONTAINING THE TECHNICAL SPECIFICATION AND MEASURES;
  - (V) STANDARDIZATION IN REPORTING; AND
  - (VI) DISCLOSURE OF THE METHODOLOGY OF REPORTING.
- **SECTION 7.** In Colorado Revised Statutes, 25-3-703, **add** (3) and (4) as follows:
- **25-3-703.** Hospital report card rules exemption. (3) The state board of health shall promulgate rules that establish nursing-sensitive quality measures based upon a nationally recognized standard and revise the rules as necessary every three years to be included in the hospital report card. The nursing-sensitive quality measures must include at a minimum:
  - (a) SKILL MIX;
  - (b) THE NURSING HOURS PER PATIENT PER DAY;
  - (c) VOLUNTARY TURNOVER;
  - (d) PATIENT FALLS PREVALENCE RATE;
  - (e) PATIENT FALLS WITH INJURY; AND
  - (f) RECORDED INCIDENCES OF VIOLENCE AGAINST STAFF AND CONTRACTED STAFF.
- (4) HOSPITALS WITH FEWER THAN ONE HUNDRED BEDS ARE EXEMPT FROM THE REQUIREMENTS OF THIS SECTION.

**SECTION 8.** In Colorado Revised Statutes, 25-3-705, **amend** (1) as follows:

- **25-3-705. Health-care charge transparency hospital charge report.** (1) The commissioner of insurance shall work with the duly constituted association of hospitals selected by the executive director pursuant to section 25-3-702 for assistance in carrying out the purposes of this section.
- **SECTION 9. Appropriation.** (1) For the 2022-23 state fiscal year, \$645,340 is appropriated to the department of public health and environment for use by the health facilities and emergency management services division. This appropriation is from the general fund and is based on an assumption that the division will require an additional 6.2 FTE. To implement this act, the division may use this appropriation for the nursing and acute care facility survey.
- (2) For the 2022-23 state fiscal year, \$139,939 is appropriated to the office of the governor. This appropriation is from the general fund and is based on an assumption that the office will require an additional 0.9 FTE. To implement this act, the office may use this appropriation for the administration of governor's office and residence.
- **SECTION 10. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

Approved: May 18, 2022